Executive Committee
Health Care Reform Commission
October 31, 2011
Meeting Minutes

Attendees: Lt. Governor Elizabeth Roberts, Health Insurance Commissioner Chris Koller, Secretary of Health and Human Services Steven Costantino, Director of Administration Richard Licht

I. Call to Order
   a. Lt. Governor Roberts called the meeting to order at 2:00pm.
   b. The Lt. Governor noted that the group will begin to review and develop policy recommendations for 2012. Director Licht asked if the Executive Committee should hear from the Senate Committees or Senate policy staff around these issues as well. The Lt. Governor noted that while this already happens at a staff level, there will be talks on potentially having those folks come in directly.

II. Development of Policy Recommendations for 2012
   a. Presentation Found here (insert link)
   b. Overview
      i. Secretary Costantino asked an overview question – where does the Exchange Board weigh in on these overlapping Exchange policy recommendations? And, where does the Executive Committee have jurisdiction? The Lt. Governor noted that these issues will go before the Exchange board in a more perfunctory way and then come back to this group. Normally they will debate and discuss the issues germane to the Exchange and then submit recommendations to the Governor. Overall, this group makes and oversees policy recommendations.
      ii. There are several items in need of development for policy recommendations -- Dan Meuse noted that in the next few meetings portions will be taken off this list, details will be assessed, and then debate will follow. These are topics that if the state is going to deal with, the state will at some point need to put legislation on the table to tackle. These topics are for further discussion and planning purposes, not decisions.
      iii. Workforce – as the ACA gives the state more opportunity to transition patients out of hospitals and into medical homes, we must ensure that we have the workforce to cover those patients. Workforce is taken to mean 'clinical workforce' not state workforce etc.
      iv. Commercial market changes – the federal government will provide guidance as to what shall be required in the basic health plan. However, this may not happen for a lengthy period of time. In reference to the risk adjustment legislation, there is

a lot of technical detail to be considered, and beyond what has already been done by staff, more advanced analysis is needed**.** Numerous procurements will be coming down the pike.

v. Mandates – does there need to be a decision or legislation on the mandates and BHP before the 2013 legislative session given that we have a part-time legislature? This could be difficult. Dan noted that what is required is that one has a plan, not specific legislation, especially given that the guidance will not come out until the end of June/July.

c. Risk Adjustment
    i. Why wouldn't RI want the federal government to run the All Payer Claims Databases? Dan responded that the federal government would set up a centralized system, but would not be state specific. In RI, for example, it may be that the diagnostic weight should have a higher weight than what is set by the federal model. The federal government is going to develop a model, potentially retrospective, and they will set the weights. A state can set and administer its own system while using the federal model, but a state cannot accept the federal program to be state specific**.**
    ii. How is this distinct from a Medicaid program? The analysis of the regulations from the consultants is that they may not alter the program, or it may be similar to a Medicare type models in which Congress must interfere.
    iii. Is the APCD the only tool to use with this? It is the best tool to use for state data. The Secretary noted that now it gets into self-identifying, and there are issues around that, namely privacy. Between the federal solution and the state solution, the Secretary feels that there needs to be further flushing of the APCD even while considering and applying risk adjustment.
    iv. Which Federal agency will be running this nationally? Most likely CCIIO, an arm of HHS.
    v. Staff recommendation was that RI take on its own Risk Adjustment, thus rejecting the federal model. Was this pushed through the full Health Reform Commission before it came to this? Dan responded that this is one of the few times that an issue is coming to the Executive Committee first, especially since there is not a Work Group focused on it. These have been interagency state staff recommendations for consideration. Brian Daniels requested that perhaps there be more information and comparison between the two models, and additional information about retrospective vs. prospective for the state model. Brian noted FTE concerns: is it one person? Is it fifty people, etc. A closer look is requested.

vi. Secretary Costantino noted that there are so many various components and there is no focus on how to balance the plans and what the necessary infrastructure is to do all of this.
vii. Is the pro of doing this ourselves outweighing the cons of allowing the federal government to take care of it for us? This seemed to be a primary concern of the meeting.

d. Reinsurance
    i. Commissioner Koller put forth that there are some lessons to take from the reinsurance process through BCBS. This was put forth in the ACA as a temporary program to allow people to buy at the discounted prevailing rate and have the federal government subsidize from there. What the learning curve shows is that while there is under enrollment in the program, BCBS has found the costs are high, meaning the few underinsured who are out there and using the program, are not compensated for/unhealthy.
    ii. Secretary Costantino asked if it makes sense to house this in a state agency. Dan noted that the consultants recommend state purchase from an appropriate outside vendor.
e. Risk Corridors
    i. Lt. Governor – do we have any regulatory or statutory change needed for the risk corridors? Dan stated no.
f. All Payer Claims Database
g. Additional Discussion
    i. Lt. Governor noted that she wishes to be cautious about saying that Rhode Island cannot do it if Rhode Island does not have it. Secretary Costantino stated he respectfully disagrees and feels that the state goes after dollars outside the box, but that Rhode Island lacks the capacity to organize. Lt. Governor said to an extent she agrees when discussing grants, but highlighted the distinction between programs and grants, showing that this is a long-term commitment.
    ii. Commissioner Koller noted that all of these decisions need to be made in the context of what the state has done in health reform thus far as well as what is forthcoming.
    iii. Secretary requests a plan that demonstrates what the whole picture is - to bring back information on what has lead to the recommendation, and then discuss with stakeholders as well and bring back additional information at the next Executive committee session. The Secretary then asked about the timeline for all of this; Dan stated that while working on a request from consultants for further analysis.

III. Grants Update
a. MMS, RFP has been approved by OHS.
b. The Duals application has been submitted or is quite close to being in. Eligibility is the one that we have a short timeline on. There has been

an RFI on that, with a great response of fourteen vendors. With the new cost allocation rules out of CMS, Rhode Island seeks to build an infrastructure open to non-Medicaid participants.

c. The Establishment II grant is in. The federal government should contact the office by November. OHIC has a fielded a few questions from CMS for general budget questions, but nothing major.
d. The community grants that the health department applied for was not funded – very competitive grant. The method of competition needs to be considered, as well as how to accumulate the most federal funding.
e. The Exchange Board has had an Orientation and a first meeting. The next meeting is set for November 8, 2011**.** There has been a solicitation to the public for names and nominations for an Expert Advisory Committee to work with the Board and this group.

IV. Public Comment

a. Are there insurers in the market that are only here because of a low risk population? It is possible there will be a decreased presence from some carriers and as a result of health care reform, overall among smaller carriers. However, this does not directly affect the big three. In a small market, this type of risk adjustment mechanism is a powerful tool.
b. Rich Langseth, who worked with the RI BGH to develop their study several years ago, is interested in the All Payer Claims Database. One of the larger insurance companies in RI provides this data, and he does believe it is in the best interest of the people of RI to get a better control over the cost of medical care, and it would be a travesty to walk away from an APCD. If at the end of the day one simply cannot do it, trying is still necessary and he encourages the group to move forward. Particularly concerned about uncompensated care. For example, a couple of hospitals do have good IT coverage. However, it is also imperative to seek data out from those using this coverage. It as highlighted that RI BCBS has been able to succeed because it has something different from BCBS in CT, which is engage in state centered health care. The providers must be engaged as well.

V. Adjourn – The Lt. Governor adjourned the meeting at 3:15pm.